(c) whether this amount of security deposit remains with the LPG dealer or it is deposited by them with Government;

(d) whether any interest is allowed to the LPG customer on this security deposit; if so, the details thereof; and

(e) if not, the reasons therefor and whether some interest shall be allowed to the depositors because this amount is deposited by them for an indefinite period with the LPG dealers?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI CHANDRA SHEKHAR SINGH): (a) The cost of production of one indigenous LPG cylinder is about Rs. 360/-.

(b) The present rate of deposit for L.P.G. cylinder and regulator is Rs. 500/-.

(c) The amount of security deposit collected by the dealers is being deposited with the respective Oil Companies.

(d) and (e) The security deposit collected from the customers, is utilised for replenishment of cylinder and for operating and maintaining LPG facilities at a satisfactory level. For every cylinder and regulator provided to the customer, the oil industry has to maintain a supply of 1.6 cylinders and 1.1 regulators and therefore no interest on the security deposit is payable.

Status of Karnal Refinery

784. SHRI RAMANAND YADAV: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) what are the plans for meeting the requirements of petroleum products for the year 1990-91 in the country and what is the present status of the Karnal Refinery;

(b) whether there was a proposal for the construction of the Karnal Refinery in the joint venture;

(c) whether it is a fact that all the work for the Karnal Refinery has been stopped; and

(d) if the answer to the above parts be in the affirmative, whether Government have decided to shelve the Karnal Refineries project; whether Government propose to borrow capital from the market to construct this refinery; what are the reasons for which the refinery is being slowly left to die a natural death when there is a vast market in North India?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI CHANDRA SHEKHAR SINGH): (a) to (d) In order to meet the requirement of Petroleum products for the year 1990-91 poposals for expansion of the capacity of the Mathura, Gujarat and Bongaigaon Refineries are under consideration. A proposal to set up a 6 MTPA grass root refinery at Karnal by IOC was approved in September, 1984. However, during the exercise made for financing the 7th Plan a constraint of resources was coming in the way of implementation of this project. Setting up of this refinery in the joint sector is being considered and offers received from various parties for joint sector participation are being examined.

Discovery of oil at Cauvery Basin

785. SHRI V. GOPALSAMY:
SHRI L. GANESAN:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the number of wells in which oil was discovered at Cauvery Basin, Thanjavur;

(b) what is the quantity of the oil discovered;

(c) whether commercial production of oil has commenced; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI CHANDRA SHEKHAR SINGH): (a) Two wells in Thanjavur District.

(b) It is high quality light oil;

(c) Trial production from Narimanam has since commenced through Early Production System.

(d) Does not arise.

Closing down of coal mines

786. SHRI SURAJ PRASAD:

SHRI GURUDAS DAS GUPTA:

Will the Minister of ENERGY be pleased to state:

(a) whether it is a fact that the Expert panel on the Eastern Coalfields Limited (ECL) has suggested closing down of at least 25 mines under the company;

(b) if so, the details and the reasons therefor; and

(c) Government's decision thereon?

THE MINISTER OF ENERGY (SHRI VASANT SATHE): (a) to (c) A Committee under the Chairmanship of Shri K. S. R. Chari, Consultant and former Secretary, Department of Coal was appointed in April, 1985 to make an indepth study of the working of the Eastern Coalfields Limited with a view to identifying the various problems plaguing the Company and finding out remedial steps/measures to be undertaken to get over these problems in order to enable the Company to achieve its main objectives of scientific development of coal reserves in its jurisdiction, increasing coal production and implementing other schemes for development and welfare. The Committee has submitted its report in November, 1985 which is under examination.

Price rise of coal

787. SHRI SURAJ PRASAD:

SHRI GURUDAS DAS GUPTA:

Will the Minister of ENERGY be pleased to state:

(a) whether it is a fact that the prices of coal have been raised by over 14 per cent recently; and

(b) if so, what are the details and reasons therefor?

THE MINISTER OF ENERGY (SHRI VASANT SATHE): (a) and (b) Coal prices fixed w.e.f. 8-1-1984 on the recommendations of Bureau of Industrial Costs and Prices, were due for revision w.e.f. 1-4-1985. Since then, there has been significant increase in the cost of production of coal on account of escalation in the cost of inputs such as stores, explosives, timber etc., increase in wages due to rise in the ceiling for grant of bonus/*ex-gratia*, revision of rate of Industrial D.A., increase in underground allowance etc., increase in the price of petrol, oil and lubricant (POL), increase in Railway freight/fare, higher incidence of depreciation and interest charges etc.

Coal India Ltd., therefore, requested for upward revision of coal prices and the same was considered by Government and the prices of coal have been revised w.e.f. 9-1-1986. On account of this revision the average pit-head price of coal produced by CIL has become Rs. 210.00 per tonne from Rs. 183.00 per tonne (increase 14.75 per cent) and that of coal produced by Singareni Collieries Company Ltd. has become Rs. 219.00 per tonne from Rs. 192.00 per tonne (increase 14.06 per cent). The price of soft coke for domestic consumption has been kept at Rs. 175.00 per tonne which has been prevailing since 27-5-1982. The price of soft coke for industrial use has, however, been fixed at Rs. 300/- per tonne w.e.f 9-1-1986.